

AMENDED IN ASSEMBLY JUNE 10, 2003

AMENDED IN SENATE APRIL 9, 2003

AMENDED IN SENATE MARCH 26, 2003

SENATE BILL

No. 604

Introduced by Senator Perata

February 20, 2003

An act to amend Sections 81008, 84101, 84103, 84108, 84203, 84204, and 84502 of, *to repeal Section 84305.6 of, and to repeal and add Section 84305.5 of*, the Government Code, relating to the Political Reform Act of 1974, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 604, as amended, Perata. Political Reform Act of 1974.

(1) Under the existing Political Reform Act of 1974, on the Saturday preceding an election held on the first Tuesday after the first Monday in June or November in even-numbered years, campaign statements are required to be open for public inspection and reproduction at the offices of specified state and local agencies.

This bill would instead require that the campaign records be open for inspection and reproduction on the Saturday preceding a statewide primary or statewide general election.

(2) Under existing law, the Political Reform Act of 1974 authorizes various methods for filing a statement of organization, amendments to a statement of organization, a statement of organization for a slate mailer organization, and late contribution reports.

This bill would add additional methods for filing, including facsimile transmission and guaranteed overnight delivery, and would delete filing by telegram.

(3) *Existing law prohibits a slate mailer organization or committee primarily formed to support or oppose one or more ballot measures from sending a slate mailer unless it contains certain information specified by existing law.*

This bill would delete those provisions, but would enact similar provisions, which would change the information required to be included with slate mailers and make various other technical changes to existing law. It would provide that its intent is to clarify the status of certain disclosure requirements affecting slate mail, which has been brought into question as a result of the passage of Proposition 208 by the voters at the November 5, 1996, General Election and the passage of Proposition 34 by the voters at the November 7, 2000, General Election, and by litigation challenging the constitutionality of these 2 propositions.

(4) *Existing law requires a slate mailer organization or committee primarily formed to support or oppose one or more ballot measures to include certain information specified in existing law with a slate mailer if any recommendation in the slate mailer to support or oppose a ballot measure or to support a candidate is different from the official recommendation by the political party that the mailer appears by representation or indicia to represent.*

This bill would delete this provision.

(5) The Political Reform Act of 1974 requires a disclosure statement in any advertisement for or against a ballot measure, identifying any person whose cumulative contributions to a committee are \$50,000 or more. It defines “cumulative contributions” as the cumulative contributions to a committee beginning the first day the statement of organization is filed and ending within 7 days of the time the advertisement is sent to the printer or broadcast station.

This bill would instead define “cumulative contributions” as the cumulative amount of contributions received by a committee beginning 12 months prior to the date the committee made its first expenditure to qualify, support, or oppose the measure and ending within 7 days of the time the advertisement is sent to the printer or broadcast station.

~~(4)~~

(6) Existing law makes a violation of the act subject to administrative, civil, and criminal penalties.



This bill would impose a state-mandated local program by imposing these penalties on persons who violate the provisions of this bill.

~~(5)~~

(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~(6)~~

(8) The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes with a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

~~(7)~~

(9) Proposition 208, an initiative measure approved by the voters at the November 5, 1996, statewide general election, makes the amendment provisions of the Political Reform Act applicable to the amendment of the initiative measure.

This bill, which would declare that it furthers the purposes of the Political Reform Act of 1974 and Proposition 208, would therefore require a $\frac{2}{3}$ vote.

~~(8)~~

(10) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 81008 of the Government Code is
2 amended to read:
3 81008. (a) Every report and statement filed pursuant to this
4 title is a public record open for public inspection and reproduction
5 during regular business hours, commencing as soon as practicable,
6 but in any event not later than the second business day following
7 the day on which it was received. No conditions whatsoever shall
8 be imposed upon persons desiring to inspect or reproduce reports
9 and statements filed under this title, nor shall any information or
10 identification be required from these persons. Copies shall be



1 provided at a charge not to exceed ten cents (\$0.10) per page. In
2 addition, the filing officer may charge a retrieval fee not to exceed
3 five dollars (\$5) per request for copies of reports and statements
4 which are five or more years old. A request for more than one
5 report or statement or report and statement at the same time shall
6 be considered a single request.

7 (b) Campaign statements shall be open for public inspection
8 and reproduction from 9:00 a.m. to 5:00 p.m. on the Saturday
9 preceding a statewide primary or statewide general election in the
10 offices of *the* Secretary of State, Registrar-Recorder of Los
11 Angeles County, Registrar of Voters of San Diego County, and
12 Registrar of Voters of the City and County of San Francisco.

13 SEC. 2. Section 84101 of the Government Code is amended
14 to read:

15 84101. (a) A committee that is a committee by virtue of
16 subdivision (a) of Section 82013 shall file with the Secretary of
17 State a statement of organization within 10 days after it has
18 qualified as a committee. The committee shall file the original of
19 the statement of organization with the Secretary of State and shall
20 also file a copy of the statement of organization with the local filing
21 officer, if any, with whom the committee is required to file the
22 originals of its campaign reports pursuant to Section 84215. The
23 original and copy of the statement of organization shall be filed
24 within 10 days after the committee has qualified as a committee.
25 The Secretary of State shall assign a number to each committee
26 that files a statement of organization and shall notify the
27 committee of the number. The Secretary of State shall send a copy
28 of statements filed pursuant to this section to the county elections
29 official of each county which he or she deems appropriate. A
30 county elections official who receives a copy of a statement of
31 organization from the Secretary of State pursuant to this section
32 shall send a copy of the statement to the clerk of each city in the
33 county that he or she deems appropriate.

34 (b) In addition to filing the statement of organization as
35 required by subdivision (a), if a committee qualifies as a
36 committee under subdivision (a) of Section 82013 before the date
37 of an election in connection with which the committee is required
38 to file preelection statements, but after the closing date of the last
39 campaign statement required to be filed before the election
40 pursuant to Section 84200.7 or 84200.8, the committee shall file,



1 by facsimile transmission, guaranteed overnight delivery, or
2 personal delivery within 24 hours of qualifying as a committee, the
3 information required to be reported in the statement of
4 organization. The information required by this subdivision shall
5 be filed with the filing officer with whom the committee is
6 required to file the originals of its campaign reports pursuant to
7 Section 84215.

8 (c) If an independent expenditure committee qualifies as a
9 committee pursuant to subdivision (a) of Section 82013 during the
10 time period described in Section 82036.5 and makes independent
11 expenditures of one thousand dollars (\$1,000) or more to support
12 or oppose a candidate or candidates for office, the committee shall
13 file by facsimile transmission, online transmission, guaranteed
14 overnight delivery, or personal delivery within 24 hours of
15 qualifying as a committee, the information required to be reported
16 in the statement of organization. The information required by this
17 section shall be filed with the filing officer with whom the
18 committee is required to file the original of its campaign reports
19 pursuant to Section 84215, and to file at all locations required for
20 the candidate or candidates supported or opposed by the
21 independent expenditures. The filings required by this section are
22 in addition to filings that may be required by Sections 84203.5 and
23 84204.

24 (d) For purposes of this section, in calculating whether one
25 thousand dollars (\$1,000) in contributions has been received,
26 payments for a filing fee or for a statement of qualifications to
27 appear in a sample ballot shall not be included if these payments
28 have been made from the candidate's personal funds.

29 SEC. 3. Section 84103 of the Government Code is amended
30 to read:

31 84103. (a) Whenever there is a change in any of the
32 information contained in a statement of organization, an
33 amendment shall be filed within 10 days to reflect the change. The
34 committee shall file the original of the amendment with the
35 Secretary of State and shall also file a copy of the amendment with
36 the local filing officer, if any, with whom the committee is required
37 to file the originals of its campaign reports pursuant to Section
38 84215.

39 (b) In addition to filing an amendment to a statement of
40 organization as required by subdivision (a), a committee as

1 defined in subdivision (a) of Section 82013 shall, by facsimile
2 transmission, online transmission, guaranteed overnight delivery,
3 or personal delivery within 24 hours, notify the filing officer with
4 whom it is required to file the originals of its campaign reports
5 pursuant to Section 84215 when the change requiring the
6 amendment occurs before the date of the election in connection
7 with which the committee is required to file a preelection
8 statement, but after the closing date of the last preelection
9 statement required to be filed for the election pursuant to Section
10 84200.7 or 84200.8, if any of the following information is
11 changed:

12 (1) The name of the committee.

13 (2) The name of the treasurer or other principal officers.

14 (3) The name of any candidate or committee by which the
15 committee is controlled or with which it acts jointly.

16 The notification shall include the changed information, the date
17 of the change, the name of the person providing the notification,
18 and the committee's name and identification number.

19 A committee may file a notification online only if the
20 appropriate filing officer is capable of receiving the notification in
21 that manner.

22 SEC. 4. Section 84108 of the Government Code is amended
23 to read:

24 84108. (a) Every slate mailer organization shall comply with
25 the requirements of Sections 84100, 84101, 84103, and 84104.

26 (b) The statement of organization of a slate mailer organization
27 shall include:

28 (1) The name, street address, and telephone number of the
29 organization. In the case of an individual or business entity that
30 qualifies as a slate mailer organization, the name of the slate mailer
31 organization shall include the name by which the individual or
32 entity is identified for legal purposes. Whenever identification of
33 a slate mailer organization is required by this title, the
34 identification shall include the full name of the slate mailer
35 organization as contained in its statement of organization.

36 (2) The full name, street address, and telephone number of the
37 treasurer and other principal officers.

38 (3) The full name, street address, and telephone number of each
39 person with final decisionmaking authority as to which candidates

1 or measures will be supported or opposed in the organization's
2 slate mailers.

3 (c) The statement of organization shall be filed with the
4 Secretary of State within 10 days after the slate mailer organization
5 receives or is promised five hundred dollars (\$500) or more for
6 producing one or more slate mailers. However, if an entity
7 qualifies as a slate mailer organization before the date of an
8 election in which it is required to file preelection statements, but
9 after the closing date of the last campaign statement required to be
10 filed before the election pursuant to Section 84218, the slate mailer
11 organization shall file with the Secretary of State, by facsimile
12 transmission, guaranteed overnight delivery, or personal delivery
13 within 24 hours of qualifying as a slate mailer organization, the
14 information required to be reported in the statement of
15 organization.

16 SEC. 5. Section 84203 of the Government Code is amended
17 to read:

18 84203. (a) Each candidate or committee that makes or
19 receives a late contribution, as defined in Section 82036, shall
20 report the late contribution to each office with which the candidate
21 or committee is required to file its next campaign statement
22 pursuant to Section 84215. The candidate or committee that makes
23 the late contribution shall report his or her full name and street
24 address and the full name and street address of the person to whom
25 the late contribution has been made, the office sought if the
26 recipient is a candidate, or the ballot measure number or letter if
27 the recipient is a committee primarily formed to support or oppose
28 a ballot measure, and the date and amount of the late contribution.
29 The recipient of the late contribution shall report his or her full
30 name and street address, the date and amount of the late
31 contribution, and whether the contribution was made in the form
32 of a loan. The recipient shall also report the full name of the
33 contributor, his or her street address, occupation, and the name of
34 his or her employer, or if self-employed, the name of the business.

35 (b) A late contribution shall be reported by facsimile
36 transmission, guaranteed overnight delivery, or personal delivery
37 within 24 hours of the time it is made in the case of the candidate
38 or committee that makes the contribution and within 24 hours of
39 the time it is received in the case of the recipient. A late

1 contribution shall be reported on subsequent campaign statements
2 without regard to reports filed pursuant to this section.

3 (c) A late contribution need not be reported nor shall it be
4 deemed accepted if it is not cashed, negotiated, or deposited and
5 is returned to the contributor within 24 hours of its receipt.

6 (d) A report filed pursuant to this section shall be in addition to
7 any other campaign statement required to be filed by this chapter.

8 SEC. 6. Section 84204 of the Government Code is amended
9 to read:

10 84204. (a) A committee that makes a late independent
11 expenditure, as defined in Section 82036.5, shall report the late
12 independent expenditure by facsimile transmission, guaranteed
13 overnight delivery, or personal delivery within 24 hours of the time
14 it is made. A late independent expenditure shall be reported on
15 subsequent campaign statements without regard to reports filed
16 pursuant to this section.

17 (b) A committee that makes a late independent expenditure
18 shall report its full name and street address, as well as the name,
19 office, and district of the candidate if the report is related to a
20 candidate, or if the report is related to a measure, the number or
21 letter of the measure, the jurisdiction in which the measure is to be
22 voted upon, and the amount and the date, as well as a description
23 of goods or services for which the late independent expenditure
24 was made. In addition to the information required by this
25 subdivision, a committee that makes a late independent
26 expenditure shall include with its late independent expenditure
27 report the information required by paragraphs (1) to (5), inclusive,
28 of subdivision (f) of Section 84211, covering the period from the
29 day after the closing date of the last campaign report filed to the
30 date of the late independent expenditure, or if the committee has
31 not previously filed a campaign statement, covering the period
32 from the previous January 1 to the date of the late independent
33 expenditure. No information required by paragraphs (1) to (5),
34 inclusive, of subdivision (f) of Section 84211, that is required to
35 be reported with a late independent expenditure report by this
36 subdivision, is required to be reported on more than one late
37 independent expenditure report.

38 (c) A committee that makes a late independent expenditure
39 shall file a late independent expenditure report in the places where
40 it would be required to file campaign statements under this article

as if it were formed or existing primarily to support or oppose the candidate or measure for or against which it is making the late independent expenditure.

(d) A report filed pursuant to this section shall be in addition to any other campaign statement required to be filed by this article.

SEC. 7. *Section 84305.5 of the Government Code is repealed.*

~~84305.5. (a) No slate mailer organization or committee primarily formed to support or oppose one or more ballot measures shall send a slate mailer unless:~~

~~(1) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures are shown on the outside of each piece of slate mail and on every insert included with each piece of slate mail in no less than 8 point roman type which shall be in a color or print which contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the street address of the slate mailer organization or the committee primarily formed to support or oppose one or more ballot measure is a matter of public record with the Secretary of State's Political Reform Division.~~

~~(2) At the top of each side or surface of a slate mailer or at the top of each side or surface of a postcard or other self-mailer, there is a notice in at least 8 point roman boldface type, which shall be in a color or print which contrasts with the background so as to be easily legible, and in a printed or drawn box and set apart from any other printed matter. The notice shall consist of the following statement:~~

<p>NOTICE TO VOTERS</p> <p>— THIS DOCUMENT WAS PREPARED BY (name of slate mailer organization or committee primarily formed to support or oppose one or more ballot measures), NOT AN OFFICIAL POLITICAL PARTY ORGANIZATION. All candidates and ballot measures designated by \$\$\$ have paid for their listing in this mailer. A listing in this mailer does not necessarily imply endorsement of other candidates or measures listed in this mailer.</p>

~~(3) Any reference to a ballot measure that has paid to be included on the slate mailer shall also comply with the provisions of Section 84503 et seq.~~

~~(4) Each candidate and each ballot measure that has paid to appear in the slate mailer is designated by \$\$\$\$. Any candidate or ballot measure that has not paid to appear in the slate mailer is not designated by \$\$\$\$. The \$\$\$ required by this subdivision shall be of the same type size, type style, color or contrast, and legibility as is used for the name of the candidate or the ballot measure name or number and position advocated to which the \$\$\$ designation applies except that in no case shall the \$\$\$ be required to be larger than 10-point boldface type. The designation shall immediately follow the name of the candidate, or the name or number and position advocated on the ballot measure where the designation appears in the slate of candidates and measures. If there is no slate listing, the designation shall appear at least once in at least 8-point boldface type, immediately following the name of the candidate, or the name or number and position advocated on the ballot measure.~~

~~(5) The name of any candidate appearing in the slate mailer who is a member of a political party differing from the political party which the mailer appears by representation or indicia to represent is accompanied, immediately below the name, by the party designation of the candidate, in no less than 9-point roman type which shall be in a color or print that contrasts with the background so as to be easily legible. The designation shall not be required in the case of candidates for nonpartisan office.~~

~~(b) For purposes of the designations required by paragraph (4) of subdivision (a), the payment of any sum made reportable by subdivision (c) of Section 84219 by or at the behest of a candidate or committee, whose name or position appears in the mailer, to the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures, shall constitute a payment to appear, requiring the \$\$\$ designation. The payment shall also be deemed to constitute authorization to appear in the mailer.~~

~~(c) A slate mailer that complies with this section shall be deemed to satisfy the requirements of Sections 20003 and 20004 of the Elections Code.~~

SEC. 8. Section 84305.5 is added to the Government Code, to read:

84305.5. (a) No slate mailer organization or committee primarily formed to support or oppose one or more ballot measures shall send a slate mailer unless:

(1) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures are shown on the outside of each piece of slate mail and on at least one of the inserts included with each piece of slate mail in no less than 8-point roman type which shall be in a color or print which contrasts with the background so as to be easily legible. A post office box may be stated in lieu of a street address if the street address of the slate mailer organization or the committee primarily formed to support or oppose one or more ballot measure is a matter of public record with the Secretary of State's Political Reform Division.

(2) At the top or bottom of the front side or surface of at least one insert or at the top or bottom of one side or surface of a postcard or other self-mailer, there is a notice in at least 8-point roman boldface type, which shall be in a color or print which contrasts with the background so as to be easily legible, and in a printed or drawn box and set apart from any other printed matter. The notice shall consist of the following statement:

NOTICE TO VOTERS

THIS DOCUMENT WAS PREPARED BY (name of slate mailer organization or committee primarily formed to support or oppose one or more ballot measures), NOT AN OFFICIAL POLITICAL PARTY ORGANIZATION. Appearance in this mailer does not necessarily imply endorsement of others appearing in this mailer, nor does it imply endorsement of, or opposition to, any issues set forth in this mailer. Appearance is paid for and authorized by each candidate and ballot measure which is designated by an *.

(3) The name, street address, and city of the slate mailer organization or committee primarily formed to support or oppose one or more ballot measures as required by paragraph (1) and the

1 notice required by paragraph (2) may appear on the same side or
2 surface of an insert.

3 (4) Each candidate and each ballot measure that has paid to
4 appear in the slate mailer is designated by an *. Any candidate or
5 ballot measure that has not paid to appear in the slate mailer is not
6 designated by an *.

7 The * required by this subdivision shall be of the same type size,
8 type style, color or contrast, and legibility as is used for the name
9 of the candidate or the ballot measure name or number and
10 position advocated to which the * designation applies except that
11 in no case shall the * be required to be larger than 10-point
12 boldface type. The designation shall immediately follow the name
13 of the candidate, or the name or number and position advocated
14 on the ballot measure where the designation appears in the slate
15 of candidates and measures. If there is no slate listing, the
16 designation shall appear at least once in at least 8-point boldface
17 type, immediately following the name of the candidate, or the name
18 or number and position advocated on the ballot measure.

19 (5) The name of any candidate appearing in the slate mailer
20 who is a member of a political party differing from the political
21 party which the mailer appears by representation or indicia to
22 represent is accompanied, immediately below the name, by the
23 party designation of the candidate, in no less than 9-point roman
24 type which shall be in a color or print that contrasts with the
25 background so as to be easily legible. The designation shall not be
26 required in the case of candidates for nonpartisan office.

27 (b) For purposes of the designations required by paragraph (4)
28 of subdivision (a), the payment of any sum made reportable by
29 subdivision (c) of Section 84219 by or at the behest of a candidate
30 or committee, whose name or position appears in the mailer, to the
31 slate mailer organization or committee primarily formed to
32 support or oppose one or more ballot measures, shall constitute a
33 payment to appear, requiring the * designation. The payment shall
34 also be deemed to constitute authorization to appear in the mailer.

35 SEC. 9. Section 84305.6 of the Government Code is repealed.

36 ~~84305.6. In addition to the requirements of Section 84305.5,~~
37 ~~a slate mailer organization or committee primarily formed to~~
38 ~~support or oppose one or more ballot measures may not send a slate~~
39 ~~mailer unless any recommendation in the slate mailer to support~~
40 ~~or oppose a ballot measure or to support a candidate that is~~

1 different from the official recommendation to support or oppose
2 by the political party that the mailer appears by representation or
3 indicia to represent is accompanied, immediately below the ballot
4 measure or candidate recommendation in the slate mailer, in no
5 less than nine-point roman boldface type in a color or print that
6 contrasts with the background so as to be easily legible, the
7 following notice:

8
9 ~~“THIS IS NOT THE OFFICIAL POSITION OF THE (political~~
10 ~~party that the mailer appears by representation or indicia to~~
11 ~~represent) PARTY.”~~

12
13 SEC. 10. Section 84502 of the Government Code is amended
14 to read:

15 84502. “Cumulative contributions” means the cumulative
16 amount of contributions received by a committee beginning 12
17 months prior to the date the committee made its first expenditure
18 to qualify, support, or oppose the measure and ending within seven
19 days of the time the advertisement is sent to the printer or broadcast
20 station.

21 SEC. 8.—

22 SEC. 11. *With regard to Sections 7, 8, and 9 of this bill, it is*
23 *the intent of the Legislature to clarify the status of disclosure*
24 *requirements affecting slate mail. The status of those requirements*
25 *has been brought into question as a result of the passage of*
26 *Proposition 208 in 1996 and Proposition 34 in 2000, and by*
27 *litigation challenging the constitutionality of these two*
28 *propositions. This bill may not be interpreted to have any bearing*
29 *on the state of the law prior to its effective date.*

30 SEC. 12. No reimbursement is required by this act pursuant to
31 Section 6 of Article XIII B of the California Constitution because
32 the only costs that may be incurred by a local agency or school
33 district will be incurred because this act creates a new crime or
34 infraction, eliminates a crime or infraction, or changes the penalty
35 for a crime or infraction, within the meaning of Section 17556 of
36 the Government Code, or changes the definition of a crime within
37 the meaning of Section 6 of Article XIII B of the California
38 Constitution.

39 SEC. 9.—

1 *SEC. 13.* The Legislature finds and declares that the
2 provisions of this act further the purposes of both the Political
3 Reform Act of 1974 within the meaning of subdivision (a) of
4 Section 81012 of the Government Code and Proposition 208
5 within the meaning of Section 45 of that measure.

6 ~~*SEC. 10.*~~—

7 *SEC. 14.* This act is an urgency statute necessary for the
8 immediate preservation of the public peace, health, or safety
9 within the meaning of Article IV of the Constitution and shall go
10 into immediate effect. The facts constituting the necessity are:

11 In order to ensure fair disclosure of campaign contributors to
12 campaign committees as soon as possible, it is necessary that this
13 act take effect immediately.

